

**REMARKS**

In accordance with the foregoing, claims 1, 3, 7 and 11 have been amended. Claims 1-18 are pending and under consideration. Claim 18 is allowed and claims 3, 4, 11, 12 and 17 are objected to.

Using independent claim 1 as an example, this claim recites respective transmission directions of the polarized cells varying according to whether the respective cells are contracted.

In contrast, Terajima transmits according to polarization directions of the incident light (Fig. 5). Georges transmits according to whether a voltage is applied to the liquid crystal material. Georges, col. 4, ln. 60-64.

The remaining references do not overcome these deficiencies in Terajima and Georges.

Accordingly, withdrawal of the rejections is requested.

There being no further outstanding objections or rejections, it is submitted that the application is in condition for allowance. An early action to that effect is courteously solicited.

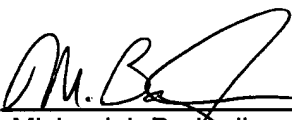
Finally, if there are any formal matters remaining after this response, the Examiner is requested to telephone the undersigned to attend to these matters.

If there are any additional fees associated with filing of this Amendment, please charge the same to our Deposit Account No. 19-3935.

Respectfully submitted,

STAAS & HALSEY LLP

Date: 9-5-06

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